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FEDERAL COMMUNICATIONS COMMISSION
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In the Matter of:

Implementation of the Local
Competition Provisions of the
Telecommunications Act of 1996

CC Docket No. 96-98

Petition of ITC^DeltaCom
Communications, Inc. for
Waiver of Supplemental Order
Clarification

COMMENTS OF WORLDCOM, INC.

Pursuant to Public Notice DA 01-2030, WorldCom, Inc. ("WorldCom") respectfully submits these comments in support of the petition of ITC^DeltaCom Communications, Inc. ("ITC^DeltaCom") for waiver of the Supplemental Order Clarification in the above-referenced docket. WorldCom has also sought a waiver of that Order and by these comments renews its own petition (filed September 12, 2000) and asks that the Commission expeditiously grant both requests.

The Supplemental Order Clarification (rel. June 2, 2000) purported to clarify the meaning of the phrase "a significant amount of local exchange service" as it appeared in the previously issued Supplemental Order (rel. November 24, 1999). In the Supplemental Order, the Commission had limited the ability of requesting carriers to convert existing special access circuits to unbundled loop-transport combinations (a.k.a. "EELs") to circumstances where the requesting carrier provides "a significant amount of local exchange service" to a particular end user. The Supplemental Order Clarification established three options or "safe harbors" under which a requesting carrier could certify

that it met the “significant amount of local exchange service” criterion. Each of those options prohibits the connection of an EEL to the incumbent local exchange carrier’s (“ILEC”) tariffed services. ITC^DeltaCom seeks a waiver of this restriction, sometimes referred to as the “co-mingling prohibition,” as applied to the third safe harbor.

As WorldCom pointed out in its petition, for carriers that order numerous DS1 circuits to serve geographically dispersed customers and, at some point in the network, have those circuits multiplexed up to the DS3 level, the co-mingling prohibition operates as a discriminatory and anti-competitive barrier to competition and entry.¹ Compliance with the co-mingling prohibition would require such carriers to operate segregated and redundant network facilities, with some DS3s dedicated to “local” circuits and others dedicated to “access” circuits. This redundancy would result in lower utilization and higher costs across the board, significantly disadvantaging those carriers as compared to their ILEC competitors, who are able to operate a single, unified network.

ITC^DeltaCom’s petition provides confirmation of the anti-competitive consequences that were predicted by WorldCom. According to ITC^DeltaCom, unless it is able to connect DS1 EELs, all of which otherwise meet the local usage requirements described in the third safe harbor, to DS3 entrance facilities, it will be unable to enter new markets and may be forced to withdraw from some of its existing markets.² Preventing this additional blow to competition surely constitutes “good cause” for waiver of the co-mingling prohibition as applied to the connection of DS1 EELs that are multiplexed up to the DS3 level. The Commission should immediately grant ITC^DeltaCom’s petition.

¹ WorldCom Petition at 11-12.

² ITC^DeltaCom Petition at 7.

Doing so would prevent a continuing harm to competition and would partially level the field on which ITC^DeltaCom competes with its monopoly suppliers, the ILECs.

Moreover, WorldCom also renews its own petition for waiver. Therein, WorldCom sought waiver of several of the restrictions contained in the Supplemental Order Clarification, including the co-mingling prohibition. While WorldCom continues to believe that the Commission should grant all the relief requested in WorldCom's petition, WorldCom and its customers would obtain some benefit from a waiver only of the co-mingling prohibition as applied to the connection of DS1 EELs to DS3 multiplexing/transport services. Accordingly, WorldCom asks that the Commission expeditiously grant at least this portion its waiver request.

By granting only this portion of WorldCom's waiver petition, the Commission would allow conversion to EELs of a number of DS1s that are used exclusively to provide local exchange service. The Commission would, at the same time, maintain the co-mingling prohibition as applied to DS1s that are connected to DS1 access transport services. The ILECs have claimed, wrongly in WorldCom's view, that this restriction is needed to prevent the "wholesale" conversion of special access circuits to EELs prior to the Commission's full consideration of the impairment issue.

Respectfully submitted,

WorldCom, Inc.

A handwritten signature in dark ink, appearing to read "Henry G. Hultquist", is written over the typed name.

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September 18, 2001

Certificate of Service

I, Barbara Nowlin do hereby certify that copies of the foregoing Comments of WorldCom, Inc. referencing CC Docket 96-98 in the matter of Petition of ITC^DeltaCom Communications Inc. for Waiver of Supplemental Order Clarification have been distributed to the following this 18th day of September 2001.

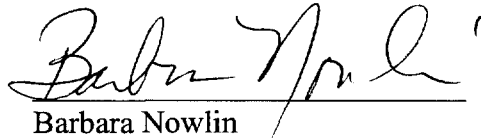
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